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No. 1410

In the

Supreme Court of the United States

OCTOBER TERM, 1965

TASTEE FREEZ INDUSTRIES, INC.,

Petitioner,

vs.

KING-SEELEY THERMOS CO.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1965.

No.

TASTEE FREEZ INDUSTRIES, INC.,

Petitioner,

vs.

KING-SEELEY THERMOS CO.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

Petitioner, Tastee Freez Industries, Inc., prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit, entered March 14, 1966, which affirmed a judgment for respondent, King-Seeley Thermos Co., entered by the United States District Court for the Northern District of Illinois on March 26, 1965.

OPINIONS BELOW

The Findings of Fact and Conclusions of Law adopted by the District Court have not been published in any official reporter system but have been unofficially reported at 145 USPQ 596. They also appear, together with the

judgment of the District Court, at pages 317-329 of the printed portion of the record entitled APPENDIX. The opinion of the Court of Appeals has not been published in any official reporter system but is appended to this petition, and has been unofficially reported at 149 USPQ 4.

JURISDICTION

The jurisdiction of the Supreme Court is invoked under the provisions of 69 Stat. 928, 28 USC 1254(1).

The opinion and judgment of the Court of Appeals were dated and entered on March 14, 1966. Petitioner's motion for rehearing was denied April 12, 1966.

QUESTIONS PRESENTED FOR REVIEW

1. Where a patent fails to describe, in the specification or claims, the subject matter that is found, by the Court to be the invention over the prior art, is the patent invalid for failure to comply with 35 USC 112 that requires the invention to be described "* * * in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains * * * to make and use the same * * *"?

2. Where two copending and related patent applications are owned by the same assignee, and claims in one application are allowed at the same time that claims in the other application are rejected as unpatentable over art which is prior to both applications, and where the assignee cancels the rejected claims, is the assignee estopped from urging such interpretation of the allowed claims in the one application as will make them the same as the claims which were rejected and then cancelled in the other application?

CONSTITUTIONAL PROVISION AND STATUTE INVOLVED

The Constitutional provision involved (Art. 1, sec. 8) provides in part:

> "The Congress shall have power . . . to promote the Progress of . . . useful Arts, by securing for limited times to . . . Inventors the exclusive Right to their . . . Discoveries . . ."

The Statutes involved is 35 USC (1952) 112, which in part provides:

> "The specification shall contain a *written description* of the invention, and the manner and process of making and using it, in such *full, clear, concise, and exact* terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.
>
> "The specification shall conclude with one or more claims *particularly pointing out and distinctly claiming* the subject matter which applicant regards as his invention." (Emphasis added.)

STATEMENT OF THE CASE

This is a suit by respondent charging infringement of Trow patent 2,753,694, hereinafter sometimes referred to as the "Trow" patent or the "694" patent. A copy of that patent appears following page 332 of the aforesaid APPENDIX. The basis for Federal jurisdiction is 28 USC 1338 and 35 USC 281.

The Trow patent describes a machine for making ice chips and includes a water-containing cylinder 12 refrigerated to freeze ice on the inside wall of the cylinder. A rotating auger 17 scrapes the ice from the cylinder

wall and moves it upwardly. The upwardly moving ice engages a member 23 that diverts the ice towards a discharge opening 12a, through which the ice falls into a storage bin.

The basis for sustaining the validity of the Trow patent is found in the Trial Court's No. 11 (APPENDIX, p. 321) which states that Trow distinguishes over the prior art by the combination including a member against which a *slushy* column of ice is conveyed to *squeeze out the water.* It was admitted that the Trow patent contains no mention of the concept of forming a *slushy* column of ice and then squeezing out the water as distinguished from forming solid ice pieces containing no water to be squeezed out. The Court of Appeals founded its decision on the premise that the structure and operation of the commercial machine of the Trow patent resulted in the initial production of only slushy ice and that the compressing function, namely, the thing that distinguishes over the prior art, was not described in the Trow patent but was merely "inherent" therein.

While the application for the '694 patent was pending, the plaintiff-respondent filed another application for patent covering a similar ice chip making machine which later issued as Nelson et al. patent 2,825,209, hereinafter called "Nelson '209". A copy of Nelson '209 and its file history will be found as defendant's Exhibits 2 and 8, respectively, in Defendant-Appellant's Exhibit Book which is transmitted to this Court as part of the record below. In the Nelson '209 application, respondent points out that freeze-ups have occurred in Trow because the auger was operated to produce *solid* ice pieces, and that the way to solve the problem is first to form only slushy ice and then squeeze out the water to produce solid ice, rather than to freeze solid ice pieces at the outset. Nelson '209 then as-

serted *claims* to the idea of making ice chips by first forming slushy ice and then compressing out the water, the very thing found by the courts below to be the inherent invention in Trow. Both Trow and Nelson '209 were prosecuted before the same Patent Office Examiner and the plaintiff even had interviews with the Examiner on the patentability of both applications on the same day. In the Nelson '209 application, claims directed to this concept of first freezing slushy ice and then compressing out the water were rejected by the Examiner and ultimately cancelled by the plaintiff.

Thus, we have a situation wherein the courts below found as the *invention* in Trow something that was not described therein and, in fact, was expressly admitted by the patent owner in its copending Nelson '209 application *not* to be in Trow but to be the invention in the later application.

Finally, the Trial Court refused *even to admit in evidence* the Nelson '209 application and this was sustained by the Court of Appeals.

REASONS FOR ALLOWANCE OF WRIT

I.

In the present case we have a patent that was sustained, notwithstanding that the feature found by the courts below to be the distinguishing feature over the prior art, the invention, was not *described* in the specification or *claims* in the patent but was simply found by the courts to be "inherent" therein. It is submitted that this does not comply with the patent statutes, notably 35 USC 112, previously set forth in full. The statute uses four adjectives "full, clear, concise, and exact" to describe the character of the terms that must be used to describe an invention and in addition requires that the claims *particularly* point out and *distinctly* claim the invention. To rely on "inherency" as a substitute for the statutory standards of description of and claims to the invention is to ignore what the statute demands, as well as the constitutional requirement that the patent add to the sum of useful knowledge. *Graham* v. *John Deere Co.*, ... US .....; 15 LEd.2d 545 (No. 11, Oct. Term, 1965). This is particularly true where, as here, we are concerned with the lack of description of the *very thing* that supposedly marked the advance over the prior art, not with some undescribed advantage collateral or incidental to the *described* invention.

The decision in this case is contrary to the principle laid down by this Court in *Permutit Co.* v. *Graver Corp.*, 284 US 52 (1931). There it was asserted that the invention resided in the use of an *unconfined* or *free* bed of zeolites. The issue before this Court was whether or not the description and claims complied with the statute. There the patent drawing actually showed an unconfined

bed of zeolites, and this would have resulted in the benefits and advantages asserted to be the invention; yet this Court held the patent invalid, stating:

> "There is no mention in the specification of either a 'free' or a 'locked' zeolite bed; or of the alleged discovery that a rising space above the zeolite bed is necessary for the successful operation of the softener; * * * Nor does claim 1 or claim 5 make mention of a 'free' zeolite bed. * * * As the patentee has thus failed to give in the specification 'a written description' and has likewise failed particularly to point out and distinctly claim the free zeolite bed as 'the part, improvement, or combination which he claims as his invention or discovery', the patent is void."
>
> * * *
>
> "The statute requires the patentee not only to explain the principle of his apparatus and to describe it in such terms that any person skilled in the art to which it appertains may construct and use it after the expiration of the patent, but also to inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not. The free bed was neither described in the specification nor claimed in either Claim 1 or Claim 5."

One lower court decision that was reviewed in *Permutit* held that "if the specifications and drawings of a patent show a structure clearly involving a certain theory of operation, it is not necessary that the patentee should expressly describe his theory, nor indeed that he should at that time clearly understand it." This Court rejected that idea and stated (284 US 59):

> "We think that these views rest upon a misconception."

Yet when the Court of Appeals in the case at bar held that:

> "While the '694 specifications do not describe the compressing function, the structure and operation of the machine which the patent discloses do result in a compressive function."

the Court of Appeals followed the reasoning that was held by this Court to be a "misconception."

It has been almost thirty-five years since this Court has faced the question of whether or not a patent is valid if the invention relied upon is not *described* in either the specification or the claims. Petitioner urges that it is of great public importance for this Court to review the question of what are the *constitutional* and *statutory* standards of description to warrant granting of the patent. The fields of technology have expanded greatly and have become more complex during the last thirty-five years. Does this mean that the amount of information that must be given to the public by the patentee is now less than was required thirty-five years ago?

II.

This Court has repeatedly affirmed the doctrine that patent claims are not entitled to such interpretation as would render them of the same scope as claims cancelled during the prosecution of the application in the Patent Office. *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 US 126; *Smith* v. *Magic City Kennel Club Inc., et al*, 282 US 784. This is known as the doctrine of "file wrapper estoppel".

Respondent should be estopped to assert that the claims in *Trow* cover what was cancelled in Nelson '209, because there is no logical reason why respondent should be treated

differently as regards file wrapper estoppel simply because the proceedings in the Patent Office took place in two copending applications of respondent rather than in one. Yet the courts below refused even to admit the Nelson '209 file history into evidence in this case.

Petitioner is unaware of any decision of this Court passing on the question of whether or not file wrapper estoppel is applicable to copending applications filed and prosecuted by a common owner.

With the growth of group research, it frequently happens that a number of related copending patent applications are owned and prosecuted by a common assignee. It is of public importance in the administration of patent laws for this Court to rule on this question of patent law in view of the widespread effect that such a ruling would have and the guidance it would give in the interpretation of multiple patents directed to related inventions.

Respectfully submitted,

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APPENDIX

OPINION OF COURT OF APPEALS

IN THE

UNITED STATES COURT OF APPEALS

FOR THE SEVENTH CIRCUIT

SEPTEMBER TERM, 1965—JANUARY SESSION, 1966

No. 15234

KING-SEELEY THERMOS CO.,
Plaintiff-Appellee,

v.

TASTEE FREEZ INDUSTRIES, INC.,
Defendant-Appellant.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

March 14, 1966

Before HASTINGS, *Chief Judge,* and CASTLE and SWYGERT, *Circuit Judges.*

HASTINGS, *Chief Judge.* This is an appeal by Tastee Freez Industries, Inc. from the judgment of the district court allowing King-Seeley Thermos Co. damages for and an injunction against infringement by Tastee Freez of claims 2 and 4 of King-Seeley's United States Letters Patent No. 2,753,694 ('694), issued July 10, 1956, through its manufacture, use, and sale of certain flake ice making machines.[1]

[1] The same patent was litigated in the Tenth Circuit. There the district court held the patent invalid, but the court of appeals reversed, holding the patent valid over the prior art. *King-Seeley Thermos Co. v. Refrigerated Dispensers, Inc., et al.,* . . . . F. 2d . . . . (Dec. 27, 1965).

Flake ice consists of small, irregularly sized and shaped pieces of ice. When most satisfactorily made, the pieces of ice will not stick together when stored in a storage bin, but are easily scooped and handled. Machines which can satisfactorily manufacture such ice are in great demand for use in restaurants, drive-ins, hospitals, and similar institutions and establishments.

In 1950, a machine which could make flake ice was invented by one John Nitsch, to whom Letters Patent No. 2,597,515 ('515) issued on May 20, 1952 for the invention.

Nitsch submitted his machine to King-Seeley's predecessor, which bought the rights to the machine and patent '515 from him.[2]

The Nitsch machine, however, did not consistently produce satisfactory ice, for the ice it made was either too wet or slushy, a condition which caused the ice to weld together in storage bins; or, if the Nitsch machine was adjusted to correct this condition, it would freeze and jam.

King-Seeley developed and received patent '694 for an ice flake or chip producing machine, which was an improvement over the Nitsch machine. Claims 2 and 4 of patent '694 read as follows:

> "2. An ice chip producing machine comprising an elongated cylindrical freezing chamber having one end thereof disposed at a higher elevation than the other and closed at the lower end thereof,
>
> refrigeration means surrounding a portion of said cylinder to form a freezing chamber therewithin, means for supplying water to said freezing chamber, an ice conveying auger having the spiral edge thereof disposed in closely spaced relation to the inside wall of said chamber and co-extensive therewith to remove ice layers from the inside wall thereof and deliver the same upwardly out of said freezing chamber,

[2] The distinction between King-Seeley and its predecessor is not relevant for purposes of this appeal, and no effort will be made to distinguish them further.

said cylinder extending upwardly above said freezing chamber and having an opening formed in one side thereof adjacent the top of said chamber at the upper end of said auger,

said auger having an upwardly disposed shaft extending above the upper end thereof,

and a bushing member surrounding said upwardly extending shaft portion to rotatably

support the same and tightly fitting within the upwardly extending portion of the cylinder to be rigidly supported thereby,

the lower end of said bushing having a generally beveled surface and extending downwardly behind the opening in said cylinder with the lower beveled end terminating substantially adjacent the upper end of said auger to distintegrate the ice masses delivered upwardly from said auger, removing the same from said shaft and discharge said finely divided masses outwardly through said opening in the cylinder."

"4. An ice chip producing machine comprising an elongated freezing chamber having an open end, means for supplying water to the inside of said freezing chamber,

means for cooling at least a portion of said freezing chamber to freeze ice on the inside surface thereof, an ice conveying auger rotatably mounted in the freezing chamber with its spiral edge disposed in closely spaced relation to the inside wall of said chamber,

means for constantly rotating the auger to cause said spiral edge to shear off ice frozen on the inside wall of the chamber constantly to deliver ice to said open end of the freezing chamber,

and an outwardly inclined ice disintegrating and removing member positioned in said open end of the chamber and provided with an ice peeling moldboard-like surface positioned to engage ice carried by the auger,

said constant rotation of the auger serving positively and constantly to convey ice to and force it against said mold-board-like surface to break up and positively remove ice from the auger and discharge is as discrete ice chips."

In the operation of the machine, an upright cylindrical freezing chamber is filled with water almost to the top. The water bathing the inside wall of the chamber freezes on it. A rotary auger scrapes the ice from the inside wall of the chamber, moving it upwards as a column of thin, wet layers of ice. When the column of ice reaches the top of the chamber, it meets an "ice peeling mold-board-like surface" which deflects the ice sidewards through an opening, from which the ice falls into a storage bin. This ice peeling surface, however, serves a further and most important function, one not claimed in patent '694.

As the rising column of ice is forced up against the ice peeling surface, the thin, wet layers of ice are compressed, excess water trapped between the layers of ice is squeezed out, and the ice is delivered to a discharge opening in a dry condition. This dryness of the ice is critical, for without it, the ice and machine would suffer the same problems which occurred in the operation of the Nitsch ice machine; and the ice made would not be acceptable commercially.

The ice making machines of Tastee Freez which are the subject of this suit operate in a fashion similar to King-Seeley's machines. However, Tastee Freez claims that its machines do not have "ice peeling" devices which meet the ascending column of ice. Instead, its machines use a variety of devices, none of which peel the rising column of ice, but which purportedly merely divert it until it is discharged by rotation, or which divert and shape the advancing ice into nuggets prior to its discharge.

The trial court, which had listened to experts for both sides, found with respect to the expert testimony:

"26. The expert testimony of Plaintiff's expert witnesses based on experiment, tests and the building and working with flake ice machines was much more believable than the testimony of Defendant's expert witness who had no prior experience with flake ice machines and whose testimony was not based on any tests or experiments relating to such machines. Defendant's expert's testimony about the prior art and its applicability to the validity of claims 2 and 4 of the '694 patent was by his own admission the result of hindsight observation and speculation."

Comparing Tastee-Freez's devices with those of King-Seeley, the trial court found:

"12. The demonstrations of all three accused models of Defendant's machines and of Plaintiff's patented machines clearly established that all of these machines make satisfactory flake ice substantially alike. The demonstrations, which permitted the action of the ice against the various breaker heads in the freezing cylinders to be seen, established that in all of Defendant's accused machines there were breaker heads which had mold-board-like surfaces against which the slushy column of ice was impinged so that the ice was compressed, water was squeezed out and individual or discrete ice chips were discharged through the side opening in the cylinder. This is the same action that occurs in the machine disclosed in the '694 patent in suit.

"13. While defendant's machines differ somewhat in form from the machine disclosed in the drawing of the '694 patent all of Defendant's accused machines accomplished the same result in substantially the same way as the machine disclosed in the '694 patent in suit.

"14. All of Defendant's accused machines include the same combination of parts as the machine shown in the '694 patent including a breaker head or ice

disintegrating and removing member positioned in the open end of the freezing chamber or cylinder and provided with an ice peeling mold-board-like surface positioned to engage ice carried by an auger in the cylinder so as to break up and positively remove ice from the auger and discharge it from the cylinder through openings in the wall thereof.

"15. The term 'mold-board-like surface' which appears in claim 4 of the '694 patent is not limited in meaning to the exact shape or form shown in the drawings of the '694 patent but includes a surface having a plow-like function which will deflect material which is impinged against it as defined by the expert witnesses of both Plaintiff and Defendant, Webster's dictionary and the several plow patents in evidence which show a wide variety of types and shapes of mold boards."

With respect to claim 2 of the patent in suit, the trial court found:

"18. Both the machine disclosed in the '694 patent and Defendant's Model 25 machine have the lower ends of the freezing cylinder closed as called for in claim 2 of the '694 patent except for means for supplying water to the freezing chamber and claim 2 calls for such means. In both of such machines the breaker heads function as a bushing for the auger shaft as called for in claim 2 even though in Defendant's Model 25 machine other bearings or bushings are provided for the auger shaft. Claim 2 of the '694 patent is infringed by Defendant's Model 25 machines."

Tastee-Freez argues that the patent in suit is unenforceable because of King-Seeley's unethical conduct in concealing from the patent office that the Nitsch machine, which was prior art for the '694 patent, had been submitted to them by Nitsch with an element not appearing in the Nitsch patent. This was a triangularly shaped finger of metal placed at the top of the freezing chamber,

the function of which was to break the ascending column of ice.

Tastee-Freez further urges that the trial court erred in excluding evidence from the file history of King-Seeley's patent 2,825,209 ('209), issued on March 4, 1958, subsequent to the patent in suit. It is claimed that the file history would show that King-Seeley made claims when it sought the '209 patent that the concept which King-Seeley now argues is embodied in its '694 patent, that is, freezing only slushy ice and squeezing out water, was then new. This evidence would tend to show that at the time it received its '694 patent, King-Seeley did not know, and could not therefore in any way claim, that its patented '694 machine would produce desirable ice through compression.

Tastee Freez urges that claims 2 and 4 of '694 are invalid for lack of invention over the prior art.

Finally, Tastee Freez argues that it does not infringe claims 2 and 4 of '694 with its machines here in suit.

Patents are presumed to be valid, and a party asserting invalidity has a heavy burden of establishing invalidity by clear and convincing evidence. 35 U.S.C.A. § 282; *Devex Corporation* v. *General Motors Corporation*, 7 Cir., 321 F. 2d 234, 238 (1963); *Hazeltine Research Inc.* v. *Dage Electric Company, Inc.*, 7 Cir., 271 F. 2d 218, 224 (1959). The trial court held that Tastee Freez had not met its burden of proving invalidity. We agree with the trial court and hold that claims 2 and 4 of the '694 patent in suit are valid over the prior art.

As for Tastee Freez's argument that the patent in suit is unenforceable because of the unethical conduct of King-Seeley in withholding relevant prior art from the patent examiner, testimony by Nitsch before the trial court revealed that the triangular metal finger installed on the machine submitted to King-Seeley had only the function of knocking down the ice and that it in no way served to change the quality of the ice.

In *Admiral Corporation* v. *Zenith Radio Corporation*, 10 Cir., 296 F. 2d 708, 716-17 (1961), it was stated that "If an applicant knows of prior art which plainly describes his claimed invention or comes so close that a reasonable man would say that the invention was not original but had been anticipated, he will not be excused for failure to disclose his knowledge."

Notwithstanding the fact that the Nitsch machine as submitted to King-Seeley possessed an element of which the patent office examiner was not aware, the Nitsch machine was, as the trial court found, an abortive machine. And, although Tastee Freez presented argument to the trial court in support of its claim of fraud, the trial court found adversely to Tastee Freez on this issue.

We cannot agree that the metal finger used for breaking the ascending column of ice can be said to have been an anticipation of King-Seeley patent '694. We agree with the trial court and hold that Tastee Freez failed to discharge its burden of showing that King-Seeley was guilty of fraud or misrepresentation before the patent office.

Tastee Freez argues that a patent is invalid if its specification fails to disclose that which the patentee asserts distinguishes the claims from prior art. It further argues that the entire specification of the '694 patent is that the ascending column of ice is broken by a *splitting* element, a knife-like edge, and then wedged apart to peel it from the auger shaft, and that compression of the ice is not revealed.

The trial court, however, found that while the '694 machine performed the splitting and wedging functions, it further compressed the rising ice and squeezed the water out of it.

While the '694 specifications do not describe the compressing function, the structure and operation of the machine which the patent discloses do result in the

compressing function. A patentee is entitled to all the benefits and advantages of his invention whether or not they are mentioned in the patent. *Talon, Inc.* v. *Union Slide Fastener, Inc.*, 9 Cir., 266 F. 2d 731, 734 (1959) and cases cited there.

Tastee Freez contends, however, that the "inherency" doctrine is not applicable to those benefits or advantages which are not an inevitable result of the construction as described in the patent. It claims that nowhere in the '694 patent is there a disclosure of the concept of making slushy ice initially and then squeezing out the water to make a satisfactory ice.

Evidence before the trial court revealed that the speed of rotation of the auger or the '694 machine could be adjusted, and that this adjustment would affect the softness or wetness of the ice scraped by the auger. The evidence also demonstrated that if the ice on the wall of the cylinder was not somewhat wet or slushy, the machine would freeze up and jam. Thus, if the machine were to run without jamming, wet or slushy ice would be produced.

In order for the trial court to make the findings and draw the conclusions it did, it had to find for King-Seeley on the issue of whether the '694 machine was intended to produce slushy ice. Since none of the findings of the trial court with respect to the '694 patent have been shown to be clearly erroneous, they will not be disturbed. Federal Rules of Civil Procedure, 52(a), 28 U.S.C.A.

Tastee Freez sought to introduce evidence of King-Seeley's later '209 patent, in the file history of which King-Seeley apparently claimed that the concept of producing only slushy ice was then new. It is argued that where the file history of a subsequent patent throws light upon the scope of the invention of the patent in suit, the file history of the subsequent patent is admissible into evidence.

While this argument may be correct, it does not have application in this case. Since the duty of the trial court was to determine how a device which embodied the '694 patent in fact operated, its exclusion of the file history of the later '209 patent was proper. The file history of the later patent could not be relevant to a determination of the machine's operation through empirical demonstration.

Finally, Tastee Freez denies that it has infringed the patent in suit. Patents, of course, are not limited to the embodiment of the invention described in the specification since the claims of the patent measure the invention. If the accused device achieves substantially the same results in substantially the same way as the patented device, the devices are the same in the eyes of the patent law. *Graver Mfg. Co.* v. *Linde Co.*, 339 U.S. 605, 608-9 (1950).

In this case, the findings of infringement were made by the trial court after a trial with the benefit of expert testimony and demonstrations. These findings of the trial court have not been shown to be clearly erroneous, and they will not be set aside. Federal Rules of Civil Procedure, 52(a); *Graver Mfg. Co.* v. *Linde Co., supra.*

We conclude that claims 2 and 4 of the '694 patent in suit are valid over the cited prior art and particularly the Nitsch '515 patent which was before the patent examiner; that the claims in suit fully meet the requirements of patentability under 35 U.S.C.A. §§ 101, 102 and 103 (including non-obviousness); and that the patent was infringed by defendant's charged devices.

Our review of Circuit Judge Pickett's thorough and well-reasoned opinion in *King-Seeley Thermos Co.* v. *Refrigerated Dispensers, Inc., et al.*, 10 Cir., ... F. 2d .... (Dec. 27, 1965), finds us in complete accord with its holding. We cite it as authority supporting our holdings herein.

For the foregoing reasons, the judgment of the district court on appeal is in all respects affirmed.

AFFIRMED.

JUDGMENT OF COURT OF APPEALS

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago 10, Illinois

Before

Hon. JOHN S. HASTINGS, *Chief Judge*
Hon. LATHAM CASTLE, *Circuit Judge*
Hon. LUTHER M. SWYGERT, *Circuit Judge*

KING-SEELEY THERMOS CO.,
Plaintiff-Appellee,

No. 15234

vs.

TASTEE FREEZ INDUSTRIES, INC.,
Defendant-Appellant.

Appeal from the United States District Court for the Northern District of Illinois Eastern Division.

This cause came on to be heard on the transcript of the record from the United States District Court for the Northern District of Illinois, Eastern Division, and was argued by counsel.

On consideration whereof, it is ordered and adjudged by this court that the judgment of the said District Court in this cause appealed from be, and the same is hereby, AFFIRMED, with costs, in accordance with the opinion of this Court filed this day.

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Supreme Court of the United States

OCTOBER TERM, 1966

TASTEE FREEZ INDUSTRIES, INC.,
Petitioner,

vs.

KING-SEELEY THERMOS CO.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

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IN THE

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OCTOBER TERM, 1965

No. 1320

TASTEE FREEZ INDUSTRIES, INC.,
Petitioner,

vs.

KING-SEELEY THERMOS CO.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

STATEMENT OF THE CASE

Petitioner's statement of the case is incorrect insofar as it relates to the basis of the decisions of the Court of Appeals for the Seventh Circuit and the Trial Court.

The Trial Court made 27 findings of fact, the following of which are the most relevant ones insofar as the petition for certiorari is concerned (R. 320-321).

9. Flake ice making machines of both Plaintiff and Defendant were operated and made ice in Courtroom demonstrations. A motion picture film of these machines making flake ice was shown to the Court. These demonstrations and the film clearly established that a machine without a breaker head in the freezing cylinder, and thus like the Nitsch machine, made only soft pieces of ice which contained substantial unfrozen water and which would not be satisfactory flake ice or chips. The same machine with a breaker head in the freezing cylinder substantially like that shown in the '694 patent drawing as well as with Plaintiff's improved variations thereof produced satisfactory flake ice which would not weld together in a storage bin and which was substantially harder, drier and smaller than the pieces of ice obtained from the Nitsch type machine.

11. It is the combination covered by the patent claims in suit and including a breaker head in the open end of the freezing cylinder having a deflecting or mold-board-like surface against which the slushy column of ice is conveyed by the rotating auger so as to simultaneously compress the ice, squeeze out water, break up the ice into chips and discharge it out of a side opening in the cylinder which distinguishes it from the Nitsch machine and the other prior art relied upon by Defendant and which has made both Plaintiff's and Defendant's machines successful. This combination would not have been obvious to a person having ordinary skill in the ice making art in 1951 when the invention covered by the '694 patent was made.

12. The demonstrations of all three accused models of Defendant's machines and of Plaintiff's patented machines clearly established that all of these machines

make satisfactory flake ice substantially alike. The demonstrations, which permitted the action of the ice against the various breaker heads in the freezing cylinders to be seen, established that in all of Defendants' accused machines there were breaker heads which had mold-board-like surfaces against which the slushy column of ice was impinged so that the ice was compressed, water was squeezed out and individual or discrete ice chips were discharged through the side opening in the cylinder. This is the same action that occurs in the machine disclosed in the '694 patent in suit.

20. Claims 2 and 4 of the '694 patent define a new combination of elements which cooperate together in a new modus operandi to produce a new, different and unobvious result.

21. Claims 2 and 4 of the '694 patent are fully supported by the disclosure of said patent and these claims do particularly point out and distinctly claim the invention so disclosed. No new matter which would render the '694 patent invalid was added to the patent application which resulted in the '694 patent during the prosecution in the Patent Office.

22. None of the prior art devices or patents relied on by Defendant disclose or teach the combination of elements called for in claims 2 and 4 of the '694 patent and none of these prior art references are capable of producing useable flake ice in the manner taught by the '694 patent.

The Seventh Circuit Court of Appeals in its decision in this matter (which is set forth at pages 1a-10a of the Petition for Writ) stated at pages 4a, 8a, 9a and 10a thereof as follows:

4a

* * * * *

"In the operation of the machine, an upright cylindrical freezing chamber is filled with water almost to the top. The water bathing the inside wall of the chamber freezes on it. A rotary auger scrapes the ice from the inside wall of the chamber, moving it upwards as a column of thin, wet layers of ice. When the column of ice reaches the top of the chamber, it meets an 'ice peeling mold-board-like surface' which deflects the ice sidewards through an opening, from which the ice falls into a storage bin. This ice peeling surface, however, serves a further and most important function, one not claimed in patent '694.

"As the rising column of ice is forced up against the ice peeling surface, the thin, wet layers of ice are compressed, excess water trapped between the layers of ice is squeezed out, and the ice is delivered to a discharge opening in a dry condition. This dryness of the ice is critical, for without it, the ice and machine would suffer the same problems which occurred in the operation of the Nitsch ice machine; and the ice made would not be acceptable commercially." * * *

8a and 9a

* * * * *

"Tastee Freez argues that a patent is invalid if its specification fails to disclose that which the patentee asserts distinguishes the claims from prior art. It further argues that the entire specification of the '694 patent is that the ascending column of ice is broken by a splitting element, a knife-like edge, and then wedged apart to peel it from the auger shaft, and that compression of the ice is not revealed.

"The trial court, however, found that while the '694 machine performed the splitting and wedging

functions, it further compressed the rising ice and squeezed the water out of it.

"While the '694 specifications do not describe the compressing function, the structure and operation of the machine which the patent discloses do result in the compressing function. A patentee is entitled to all the benefits and advantages of his invention whether or not they are mentioned in the patent. *Talon, Inc. v. Union Slide Fastener, Inc.*, 9 Cir., 266 F. 2d 731, 734 (1959) and cases cited there."

* * * * *

"Evidence before the trial court revealed that the speed of rotation of the auger of the '694 machine could be adjusted, and that this adjustment would affect the softness or wetness of the ice scraped by the auger. The evidence also demonstrated that if the ice on the wall of the cylinder was not somewhat wet or slushy, the machine would freeze up and jam. Thus, if the machine were to run without jamming, wet or slushy ice would be produced.

"In order for the trial court to make the findings and draw the conclusions it did, it had to find for King-Seeley on the issue of whether the '694 machine was intended to produce slushy ice. Since none of the findings of the trial court with respect to the '694 patent have been shown to be clearly erroneous, they will not be disturbed. Federal Rules of Civil Procedure, 52(a), 28 U.S.C.A.

"Tastee Freez sought to introduce evidence of King-Seeley's later '209 patent, in the file history of which King-Seeley apparently claimed that the concept of producing only slushy ice was then new. It is argued that where the file history of a subsequent patent throws light upon the scope of the invention of the patent in suit, the file history of the subsequent patent is admissible into evidence."

"While this argument may be correct, it does not have application in this case. Since the duty of the trial court was to determine how a device which embodied the '694 patent in fact operated, its exclusion of the file history of the later '209 patent was proper. The file history of the later patent could not be relevant to a determination of the machine's operation through empirical demonstration.

* * * * *

"We conclude that claims 2 and 4 of the '694 patent in suit are valid over the cited prior art and particularly the Nitsch '515 patent which was before the patent examiner; that the claims in suit fully meet the requirements of patentability under 35 U.S.C.A. §§101, 102 and 103 (including non-obviousness); and that the patent was infringed by defendant's charged devices.

"Our review of Circuit Judge Pickett's thorough and well-reasoned opinion in *King-Seeley Thermos Co. v. Refrigerated Dispensers, Inc., et al.*, 10 Cir., — F. 2d — (Dec. 27, 1965), finds us in complete accord with its holding. We cite it as authority supporting our holdings herein." * * *

ARGUMENT

The petition in this case raises no question requiring or justifying review by this Court. The only issue raised by Petitioner's first question—i.e., whether the invention of the Trow '694 patent is described and claimed therein as required by 35 USC 112—has been carefully and fully considered by both courts below and decided in Respondent's favor. (Finding 21, R. 323; CA 7, pp. *8a* and *9a* of petition.) The second question raised by Petitioner is not even

presented by the facts of the present record. Under the guise of this question, Petitioner again seeks relief on the often-urged ground of file-wrapper-estoppel. Both courts below rejected the arguments there made by Petitioner upon this ground by holding the patent claims in suit valid and infringed.

Neither issue presented by Petitioner raises any question of conflict with other Courts of Appeal or with this Court nor any unsettled question requiring review by this Court. Instead, this is plainly and simply a patent controversy of a familiar pattern in which Petitioner sought to justify its appropriation of Respondent's developments by denying validity and infringement and having been defeated in both courts below now seeks a third hearing in this Court of fact questions carefully considered and decided by the courts below. Such a case does not warrant review by this Court. (*Magnum Import Company v. Coty*, 262 U.S. 159; 67 L. Ed. 922.) The petition should therefore be denied.

I

The arguments made by Petitioner in support of the first question have been previously made not only in the Seventh Circuit Court of Appeals in the instant case, but also in the Tenth Circuit Court of Appeals in the case of *King-Seeley Thermos Co. v. Refrigerated Dispensers, Inc., et al.*, 354 F. 2d 533 (1965). These arguments were rejected by both courts of appeals, and the patent claims involved in each case were held valid and infringed.

Contrary to Petitioner's argument, the Courts below did not sustain the patent claims in suit on any feature not fully disclosed in the specification of the patent in suit nor distinctly claimed in the patent.

Claims 2 and 4 of the '694 patent in suit (the only claims of the patent which are involved in this litigation) spell out the various components of the patented flake ice making machine in substantial detail and the Courts below have found that these patent claims are fully supported by the written specification of the patent, do define a new and patentable combination of elements which is not shown in any of the prior art patents or machines relied on by Petitioner and that the machines disclosed and claimed in the patent did solve a long-standing problem and permitted usable flake ice to be economically produced. (Findings 10, 20, 22, R. 321, 323; CA 7, pp. *7a and 10a;* this petition.)

The Courts below found the specific combination of elements called for in the patent claims in suit to be new, and they found that this patented combination of elements did simultaneously compress the ice being made, squeeze out water and break the ice into chips which are discharged through an opening in the ice making chamber. The Courts below stated that while the '694 patent did not specifically describe the compressing function performed by the claimed mechanism, the demonstrations, moving picture film and tests shown to the Trial Court clearly established that compressing of the ice did occur in the machine disclosed and claimed in detail in the '694 patent. Both Courts below consequently and correctly applied the rule that a patentee is entitled to all the benefits and advantages of his invention whether or not they are specifically mentioned in the patent. (Findings 9, 11, 12, R. 320, 321; C.A. 7, pp. *8a* and *9a,* this petition.)

Radio Corp. v. Radio Engineering Lab., 293 U.S. 1, 14;

Corona Cord Tire Co. v. Donovan Chemical Corp., 276 U.S. 358, 369;

Talon, Inc. v. Union Slide Fastener, Inc., C.A. 9 (1959) 266 F. 2d 731, 734.

More particularly, as found by the Trial Court (Finding 11, R. 321) the key to the success of the machine of the '694 patent is the provision within the freezing cylinder 12 of the breaker head 23. Absent this breaker head, the machine produced the slushy unacceptable ice that characterized the Nitsch machine; with the breaker head in place within the freezing cylinder the same machine produced satisfactory flake ice. It is not disputed that the breaker head and its location within the freezing cylinder are clearly and explicitly shown and described in the '694 patent and recited in the claims in suit; nor is it disputed that the '694 machine, containing the breaker head performed the function of compressing slushy ice, eliminating water therefrom and producing acceptable flake ice. This is in direct contrast to the situation in *Permutit Co., v. Graver Corp.*, 284 U.S. 52; 76 L. Ed. 163 (1931), discussed at page 6 of the petition for writ of certiorari. In that case the Court found that there was no disclosure in the patent specification or claim of the very *structure* urged to be the invention. The court in that case said at page 56:

> "The only invention seriously urged under claim 1 is the substitute of a 'free' for a 'locked' zeolite-bed, a matter which is not referred to either in the specification or in the claim."

The court then went on to state in that case at page 57:

> "For even if a patent for a 'free' bed might have been valid, that sued on is invalid for lack of disclosure prescribed by Rev. Stat. §4888 U.S.C. Title 35, §33."

II

In question No. 2 Petitioner seeks a ruling that Respondent should be estopped from urging such an interpretation of the claims in suit as will make them the same as claims which were rejected and cancelled from a later-filed Nelson application (now patent No. 2,825,209) covering a later-invented refinement of the invention of the '694 patent. As noted above, this issue is not even presented by the record in this case. The only claims in suit, Nos. 2 and 4, are directed with considerable particularity to the structure and arrangement of the components of the patented machine, including the aforesaid breaker head and freezer cylinder. No counterparts of these claims ever appeared in the later-filed Nelson application or were cancelled therefrom, and Petitioner makes no effort to identify any such counterparts. Manifestly, rejection and cancellation of other and different claims from a later-filed application on a later-made invention afford no basis for asserting "file-wrapper-estoppel" with respect to the claims here in suit. Thus, *Exhibit Supply Company v. Ace Products Corporation*, 315 U.S. 126 and *Smith v. Magic City Kennel Club Inc., et al.*, 282 U.S. 784, cited by Petitioner, are not pertinent to this case.

The file history of the subsequent '209 patent was offered in evidence at the trial for the purpose of showing that the machine disclosed in the patent in suit could not operate to compress ice. The Trial Court excluded the file history of the subsequent '209 patent as being irrelevant for this purpose because the Court could determine whether ice was compressed in the machine of the patent here in suit by viewing the machine itself while it was operating in the courtroom and by viewing a close-up moving picture film which showed exactly what happened during the manu-

facture of the ice in the patented machine (R. 184-187). The Seventh Circuit Court of Appeals affirmed this ruling of the Trial Court by saying (page 10a of the Petition for Writ):

> "Since the duty of the trial court was to determine how a device which embodied the '694 patent in fact operated, its exclusion of the file history of the later '209 patent was proper. The file history of the later patent could not be relevant to a determination of the machine's operation through empirical demonstrations."

Thereafter Petitioner filed with the Seventh Circuit Court of Appeals a petition for rehearing in which it argued at page 5:

> ". . . that the file history of the '209 patent is relevant to an interpretation of what the patent office considered *unpatentable* to King-Seeley at the very time it was allowing the application that resulted in the '694 patent, and King-Seeley's acquiescence."

The petition for rehearing was denied by the Seventh Circuit Court of Appeals and now Petitioner comes to this Court and asks this Court to review a "file-wrapper-estoppel" question which doesn't even exist and can't exist because Respondent did not attempt to enlarge or stretch the meaning of the language of the patent claims in suit in order to prove infringement by Petitioner. There is clear and direct infringement of claims 2 and 4 of the patent in suit by Petitioner's machines as evidenced by the Trial Court's findings of fact 13, 14, 15, 16, 17 and 18 (R. 322-323).

CONCLUSION

For the foregoing reasons it is respectfully urged that the petition in this case raises no question requiring or justifying review by this Court and that the petition should be denied.

Respectfully submitted,

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